

It is not a question of whether we are for extending unemployment benefits. It is not a question of whether they have to be paid for. It is a question of who pays for them. For my money, if we can't find \$9.5 billion somewhere in this government and say it is a higher priority to extend unemployment benefits and pay for it than whatever that money is used for, then we are not doing our jobs.

My colleague from Illinois suggested that Republicans were responsible for taking us to war and not paying for it. That needs to be responded to. This body voted to go to war. This body supports the troops who are fighting. I assume this body wants to pay them and to buy them the appropriate equipment and that is a top priority of our government. Under the Constitution, the first obligation of government is to protect its citizens. That is the No. 1 priority. We have to spend that money. There are other priorities, but there comes a point when we have to begin setting priorities and say to go to war, we have to do that. That has to be paid for. To do this and this and this, that has to be paid for. But at a certain point in time, we are entitled to ask: Now that we have run out of money, do we want to keep spending or do we find a way for this generation to pay for that spending? That is what we are talking about with the extension of unemployment benefits.

Of course, they need to be extended. We will support that. The question will be, will my colleagues on the other side of the aisle support finding the funds to offset the cost.

This is not without cost. The Coalition of Arizona Business Organizations reinforced the point in a recent letter to my office. They pointed out: The Arizona Department of Economic Security estimates that my State will have to borrow \$300 to \$400 million from the U.S. Department of Labor between 2010 and 2013 to keep the unemployment fund solvent so they can continue to make payments to beneficiaries.

To make matters more difficult, Arizona employers have already been hit with an average increase of 50 percent in unemployment insurance taxes. This increase has occurred at the very time that businesses are trying to recover. Of course, it can delay economic recovery, and more hiring for businesses the more they have to pay. The message I got from small businesses was, if you want them to start hiring, Congress needs to waive the Federal Unemployment Tax Act penalties, also known as FUTA.

This is a tax that currently averages \$56 per employee. But if Arizona were to fail to repay the money the State has borrowed from the Federal Government, it could rise as high as \$308 per employee. Obviously, that does not portend more hiring, and it is not what employers need.

The third and final concern relates to lending. Senator MCCAIN and I met with representatives of some of Arizo-

na's smaller banks, community banks. They are being crushed because regulators have been forcing them to raise more capital than they are required to hold, and that undermines economic recovery because they then have less money to lend.

In addition, regulatory guidelines, especially on commercial real estate lending, are hindering new loans as well as the refinancing of existing loans, and existing regulations are discouraging banks from working with borrowers to avoid foreclosure. These banks are being forced to increase capital in an environment in which capital is very scarce for community banks. A more sensible course would be having banks retain more capital when times are good and easing up on those requirements when times are bad.

The effect of the bank regulators' actions is not just denial of loans to those who should not get them—and there are some who should not be refinanced—but even to more creditworthy individuals and businesses. As a result, businesses can't invest and grow, which is what they need to do to create jobs and improve the economy.

The bottom line is a lot of things Washington is doing have hurt small businesses, the engines of job creation. Americans are not happy about this. Jobs should be our No. 1 priority. Congress has the tools to create a better environment for job creation. I am not talking about labeling every spending bill that comes up as a jobs bill. It means listening to what job creators are saying, not punishing them with a tidal wave of new taxes and regulations.

The ACTING PRESIDENT pro tempore. The Senator from Florida.

Mr. NELSON of Florida. I ask unanimous consent to speak for 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### EXTENDING UNEMPLOYMENT BENEFITS

Mr. NELSON of Florida. Mr. President, the American people are asking: Why can't those guys get together up there and get something done? They are asking: Whatever happened to common sense? They say: People are out of work. Why can't you extend their unemployment benefits? All of this is what the vast majority of the American people are saying. Yet we allowed, over 2 weeks ago, unemployment compensation to cease for certain people hurting in this country. It is important for us now to temporarily extend unemployment benefits, as well as the ability for someone who is out of work to continue their health insurance coverage through what is known as the COBRA program. These important programs expired. We are going to have a procedural vote later today.

As is typical in the Senate, we don't get to the actual, substantive vote today. We vote on a motion to proceed,

and we have to cut off debate with a motion to cut off debate, called a motion for cloture, just to get to the motion to proceed to get to the bill. But that is what has taken place today. We will get it done. We will use the better part of this week going through all of this parliamentary faldral. When they call the final roll, we will get it extended.

But why can't we get together? Why did one Senator, over 2 weeks ago, hold up the whole works on something so obvious? Folks are hurting in most of the country. They certainly are in my State. Over 40 percent of Florida homeowners are under water on their mortgage. The banks are pulling back on credit to small businesses. When you get right down to it, the blame for failing to temporarily extend this eleemosynary help, this commonsense help to people who are hurting, falls solely at the feet of the Congress because we couldn't get it together, through our parliamentary rules.

Our people are hurting. It is our responsibility to extend these programs to provide some little pittance for people who can't get work and financially have a desperate need. Unfortunately, for many Americans these benefits are the only thing keeping food on the table as they struggle to find a job and make financial ends meet.

I certainly hope we are not going to let these programs lapse again. There are encouraging signs in the economy, but unemployment always lags the recovery of other parts of the economy. Therefore, we need to give some little measure of stability to these people, these poor families out of work, instead of us continuing to have partisan gamesmanship that we have seen so often over the course of the last couple months.

#### FINANCIAL REFORM

Mr. NELSON of Florida. Mr. President, after the extension of unemployment benefits is accomplished—and we will get it done—we will take on financial reform. Remember back, the failure of Lehman Brothers and the near collapse of our financial system and, as a result, the passage of \$700 billion of taxpayer money to bail out Wall Street? Back in the fall of 2008, the break down in our financial system fueled one of the worst economic downturns since the early part of the last century. The stock market plunged. The credit and capital markets froze, and real economic activity took a nosedive.

While we are seeing some slight improvement in both the markets and the economy as a whole, too many people remain unemployed and underemployed. In Florida, the unemployment rate has surpassed 12 percent. The unemployment rate in Florida is now the sixth highest in the country. Since the crisis began in the fall of 2008, a lot has happened. We elected a new President. We passed an economic